Air India disinvestment) of Parliamentary Standing Committee on Transport and Tourism. However, the issues raised in the report of the Committee had been given due consideration while taking this decision.

(b) No, Sir.

(c) The quantum of Proposed reduction of Government's shareholding in Air India was based on the recommendations of Disinvestment Commission, while in case of Indian Airlines it was based on the report of an Expert Committee.

(d) The details of the disinvestment plan in respect of Air India and Indian Airlines are as under:

Air India

(i) Government equity to be brought down to 40% through disinvestment process.

(ii) 40% of the equity to be disinvested in favour of a Strategic Partner (SP).

(iii) Up to 10% of the equity to be offered to employees.

(iv) The balance (10%) of equity to be sold to the financial institutions and/or on the share market.

(v) Foreign holding to be limited to a maximum of 26% of total equity if the SP is a Joint Venture with foreign holding.

Indian Airlines

(i) Government equity to be brought down to 49%.

(ii) 26% equity to be sold to a Strategic Partner (SP).

(iii) 25% equity to be sold to financial institutions, employees and other investors.

(iv) Foreign holding not to exceed 40% equity of the bidders, except for NRIs/NRIs controlled OCBs, if the SP is a Joint Venture with foreign holding.

Valuation of Air India

2893. SHRI BALWANT SINGH RAMOOWALIA:
SHRI SHATRUGHAN SINHA:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government are aware that the Chairman of J. M. Morgan Stanley has been appointed a Director on the Board of a Tata Group Company;

(b) whether he has done Air India's valuation; and

(c) whether or not relationship between J. M. Morgan Stanley and the Tata Group would affect the valuation of Air India since the Tata Group are bidders for disinvestment of this national carrier?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) As per information available, the Chairman of M/s J. M. Morgan Stanley Private Limited had been invited to join the Board of Directors of the Indian Hotels Company Limited (IHCL) as an independent Director in his personal capacity and not as a Tata Group appointee. He joined the Board of IHCL on the 29th March, 2001 and resigned therefrom on the 25th May 2001, without attending a Board meeting.

(b) The valuation by M/s J. M. Morgan Stanley has not been completed.

(c) No, Sir. However, the Government has decided to appoint two additional valuers.

Disinvestment of Fertilizers and Chemicals PSUs

2894. SHRI RAJNATH SINGH 'SURYA': Will the Minister of DISINVESTMENT be pleased to state:

(a) the PSUs in the Ministry of Fertilizers and Chemicals identified for disinvestment;

(b) the norms for identifying such PSUs for disinvestment;

(c) whether any time schedule has been fixed for this purpose; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The Public Sector Undertakings (PSUs) under the Ministry of Chemicals and Fertilizers, which have been identified for disinvestment by the Disinvestment Commission are:—

(i) Indian Petrochemicals Corporation Limited (IPCL)
(ii) Hindustan Organic Chemicals Limited (HOCL)
(iii) Hindustan Insecticides Limited (HIL)
(iv) National Fertilizers Limited (NFL)
(v) Madras Fertilizers Limited (MFL)
(vi) Paradeep Phosphates Limited (PPL)